

UNITED STATES DISTRICT COURT  
SOUTHERN DISTRICT OF NEW YORK

USDC SDNY  
DOCUMENT  
ELECTRONICALLY FILED  
DOC #:  
DATE FILED: 2/17/15

SECURITIES AND EXCHANGE COMMISSION,

Plaintiff,

v.

CALEDONIAN BANK LTD.,  
CALEDONIAN SECURITIES LTD.,  
CLEAR WATER SECURITIES, INC.,  
LEGACY GLOBAL MARKETS S.A., and  
VERDMONT CAPITAL, S.A.

Defendants.

Civ. No. 15 CV 894  
(WHP)(JLC)

**SUPERSEDING STIPULATED ORDER EXTENDING MODIFIED  
TEMPORARY RESTRAINING ORDER AND ADDRESSING  
SCHEDULING MATTERS CONCERNING THE CALEDONIAN DEFENDANTS**

WHEREAS, on February 6, 2015, the Court issued *ex parte* a Temporary Restraining Order Freezing Assets, Repatriating Assets, Expediting Discovery and Requiring An Accounting (the "TRO") against the Defendants;

WHEREAS, by Stipulated Orders dated February 8 and February 9, 2015, Plaintiff Securities and Exchange Commission (the "Commission") and Defendants Caledonian Bank Ltd. ("Caledonian Bank") and Caledonian Securities Ltd. ("Caledonian Securities") (collectively, the "Caledonian Defendants") modified the TRO in certain respects (the "February 8 Order" and the "February 9 Order," respectively, and collectively the "Modified TRO");

WHEREAS, pursuant to Fed. R. Civ. P. 65, the TRO and the Modified TRO will expire 14 days after February 6, absent agreement of the parties to extend the Modified TRO;

WHEREAS, pursuant to Section VII of the TRO, a hearing is scheduled for February 20, 2015, at 10 a.m., on whether the Court should issue a preliminary injunction against Defendants;

SO ORDERED:

47510592v2

  
WILLIAM H. PAULEY III  
U.S.D.J.

2/17/15

WHEREAS, pursuant to Section VIII of the TRO, Defendants must file and serve opposing papers no later than February 17, 2015, and the Commission must file and serve reply papers no later than February 19, 2015;

WHEREAS, the entry of this Superseding Stipulated Order Extending Modified Temporary Restraining Order and Addressing Scheduling Matters Concerning the Caledonian Defendants shall supersede the terms of the TRO and the Modified TRO with regard to the Caledonian Defendants (the "Superseding Stipulated Order");

WHEREAS, the entry of this Superseding Stipulated Order is without prejudice to the Commission moving in the future for additional temporary or preliminary relief, to the Caledonian Defendants moving in the future for relief or opposing the preliminary injunction being sought by the Commission, or to further stipulations agreed to by the Commission and the Caledonian Defendants; and

WHEREAS, the Commission and the Caledonian Defendants, if they choose and agree, may enter into other stipulations as they deem necessary for their protection or to a stipulated preliminary injunction.

THEREFORE, with these understandings, the Commission and the Caledonian Defendants stipulate, agree and consent to the following modifications to the TRO and the Modified TRO (the "Further Modifications"):

1. Unless further modified by Court order, all provisions in the TRO and the Modified TRO not inconsistent with these Further Modifications shall remain in full force and effect.

2. Paragraphs 4, 5, 6, 7, 9 and 10 of the Modified TRO regarding the handling of accounts at Northern Trust and Morgan Stanley Smith Barney LLC shall remain in effect through March 27, 2015.

3. Based on the appointment of a Controller for the Caledonian Defendants by the Cayman Islands Monetary Authority ("CIMA"), Paragraph 8 of the Modified TRO is deleted in its entirety.

4. The preliminary injunction hearing currently scheduled for February 20, 2015, and the corresponding deadlines to file an opposition (February 17, 2015) and a reply (February 19, 2015) are adjourned without date as to the Caledonian Defendants. Further, the parties agree that, should it become necessary to reset the date of the hearing and the corresponding deadlines, they will work cooperatively to do so.

5. The deadlines set forth in Section III.C and Section V of the TRO, as they apply to the Caledonian Defendants and as modified by the Modified TRO, shall be extended beyond February 24, 2015. The information requested will be served on counsel for the Commission by email or overnight express on or before March 27, 2015.

6. The deadline for the Caledonian Defendants to answer or otherwise respond to the Complaint shall be extended beyond February 26, 2015. The new deadline will be March 27, 2015.

7. No issue of fact is finally resolved by the entry of this stipulation.

Dated: February 16, 2015

Margaret A. Dale

Margaret A. Dale  
Sigal P. Mandelker  
Proskauer Rose LLP  
Eleven Times Square  
New York, New York 10036  
(212) 969-3360  
mdale@proskauer.com  
smandelker@proskauer.com

Attorneys for Defendants Caledonian  
Bank Ltd. and Caledonian Securities Ltd.

SO ORDERED.

DATE:

Respectfully submitted,

Richard E. Simpson

Richard E. Simpson  
Securities and Exchange  
Commission  
100 F. Street, N.E.  
Washington, D.C. 20549  
(202) 551-4492  
simpsonr@sec.gov

Attorney for Plaintiff Securities  
and Exchange Commission

UNITED STATES DISTRICT JUDGE

RM